

Current Statistics ♦ September 2007

- British Columbia's unemployment rate fell to 4.0% in August, among the lowest in the nation and only 0.5 percentage points higher than Alberta's (3.5%).

British Columbia's goods sector took on 0.7% more workers in August. Employment in construction (+4.6%) has picked up after shrinking in both of the two previous months. The manufacturing industry (-2.1%) pared down the size of its workforce for the fourth time in five months, while the number of jobs in forestry, fishing & mining rose (+2.2%) for the first time since April.

The services sector increased employment by 0.3% in August. Employment in the accommodation & food services industry surged (+7.9%), while the number of job opportunities in information, culture & recreation (+4.9%) also increased. While educational services (+1.2%), retail & wholesale trade (+0.8%) and management & administration (+0.2%) increased employment, fewer openings were available in professional, scientific & technical services (-4.4%), public administration (-3.3%) and health care & social assistance (-1.6%).

Data Source: Statistics Canada

- Room revenues at BC accommodation properties inched down (-0.4% *seasonally adjusted*) in May. Five regions recorded gains, with the biggest increase occurring in Nechako (+11.6%). Cariboo (+7.6%), Northeast (+4.9%), and Kootenay (+4.0%) posted robust growth but room revenues in Thompson/Okanagan (+0.4%) increased only slightly in May. Revenues in Mainland/Southwest slipped (-1.9%), as a four-month-long upturn came to an end.

Data Source: BC Stats



- The value of BC origin exports increased 1.0% (*seasonally adjusted*) in July, following two months of significant declines. Energy exports rebounded 10.4%, reflecting the effect of higher export prices for gasoline. Exports of machinery & transportation equipment (+2.9%) were also up. However, agriculture & fish (-8.2%), forestry (-1.7%) and industrial & consumer (-0.6%) product exports showed less promise.

Exports to the US were off 2.0%, as shipments of agriculture & fish (-7.9%), energy (-4.8%) and machinery & equipment (-3.8%) all slipped. Slight increases in exports of forestry (+0.1%), and industrial & consumer products (+0.8%) south of the border were unable to offset the declines. Shipments to destinations other than the US climbed 5.7%, largely because of sharp escalations in machinery & equipment (+23.8%) and energy (+36.4%) product exports.

Data Source: Statistics Canada & BC Stats

- Shipments of goods manufactured in the province inched down 0.5% (*seasonally adjusted*) between June and July. Durable products continued to see-saw as producers saw shipments fall 1.8%. The value of wood shipments (-2.1%) decreased as manufacturers continued to face low prices for softwood and other wood products. BC producers of primary (-4.0%) and fabricated (-1.5%) metals and

transportation equipment (-3.8%) also posted notable declines. On the non-durables side, shipments of plastics & rubber (-5.5%) and food (-0.5%) were lower than in June, but the decrease was offset by the paper (+2.7%) and chemical (+1.3%) industries. Overall, non-durables shipments were up 1.1%. *Data Source: Statistics Canada*

- The value of building permits issued in British Columbia slipped 24.3% (*seasonally adjusted*) in July, as planned spending on both residential (-11.3%) and non-residential (-45.6%) projects declined. In Abbotsford, permits were up 57.1%, one of the most significant increases in the country. On the other hand, Vancouver (-26.2%), Victoria (-36.4%) and Kelowna (-55.8%) all posted substantial decreases. *Data Source: Statistics Canada*

- Housing starts in the province showed continued volatility in August, climbing 7.1% (*seasonally adjusted*), following a similar decline in the previous month. Canadian starts were up 5.1%, as most provinces posted increases. Nova Scotia (+33.3%) and Manitoba (+31.4%) recorded double-digit rises, while starts rose more moderately in Alberta (+8.9%), Ontario (+4.0%) and parts of Atlantic Canada. Starts were off in Quebec (-0.6%) and Saskatchewan (-14.8%). *Data Source: Statistics Canada*

- British Columbia's year-over-year inflation rate fell 0.3 percentage points to 1.3% in August. Lower energy costs (-5.0%), particularly gasoline (-8.0%), kept the inflation rate at its lowest level since October 2006. The Consumer Price Index (CPI), excluding energy, was up 2.0% in August.

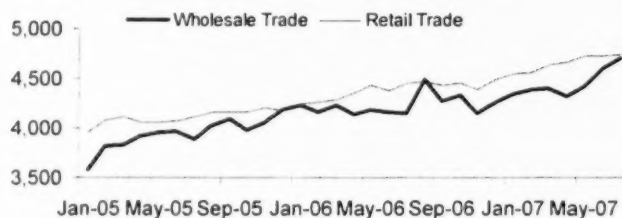
Food bills were 2.6% higher as the cost of meals at restaurants rose 4.0% and the price of groceries was up 1.8%. Shelter costs (+2.1%) were also on the rise, as prices for both owned (+3.1%) and rented (+1.3%) accommodations climbed. Increases in the cost of water (+7.5%) and piped gas (+2.3%) were offset by lower prices for electricity (-0.6%) and fuel oil & other fuels (-2.4%) leaving the cost of household utilities relatively unchanged (+0.1%).

British Columbians were forced to dig deeper into their wallets for alcohol & tobacco products (+3.1%) as well as health & personal care (+2.2%) and recreation, education & reading (+2.7%) materials. Prices for clothing & footwear, however, continued to fall in August (-2.6%). *Data Source: Statistics Canada*

- Retail sales in BC were virtually unchanged in July, remaining stable at \$4.7 billion (*seasonally adjusted*) for the second straight month. Stronger sales at furniture, home furnishings & electronics stores (+3.1%), pharmacies (+2.1%) and clothing & accessories stores (+1.3%) were overshadowed by falling sales in the automotive (-2.5%) as well as food retailing (-1.0%) sectors. Miscellaneous retailers saw receipts inch higher (+0.6%) while business at general merchandise stores was flat (+0.1%). *Data Source: Statistics Canada & BC Stats*

- British Columbia's wholesale sales jumped 2.2% (*seasonally adjusted*) in July. Wholesalers of metal products (+5.3%), building supplies (+4.8%) and other products (+4.0%) provided much of the boost. BC's wholesale industry has experienced steady growth throughout most of 2007. *Data Source: Statistics Canada & BC Stats*

BC Wholesale/Retail Sales (SA) (\$millions)



- New motor vehicle sales in British Columbia dropped 1.7% (*seasonally adjusted*) in July as truck sales in the province slowed. Despite rising sales of both North American- and overseas-made cars, a continued slide in purchases of both foreign and domestic trucks has been driving overall motor vehicle sales down. *Data Source: Statistics Canada & BC Stats*

MONTHLY STATISTICS

PRICES

UNITS	REFERENCE PERIOD	CURRENT			MONTHLY AVERAGE YEAR-TO-DATE	
		LATEST MONTH	% CHANGE FROM		AMOUNT	% CHANGE FROM YEAR AGO
			LAST MONTH	YEAR AGO		
Consumer Price Index-BC	2002=100 Aug '07	110.4	-0.1	1.3	109.9	1.8
Consumer Price Index-Vancouver	2002=100 Aug '07	110.6	-0.1	1.7	110.0	2.3
Consumer Price Index-Victoria	2002=100 Aug '07	110.0	-0.1	0.6	109.8	1.3
Consumer Price Index-Canada	2002=100 Aug '07	111.7	-0.3	1.7	111.3	2.0
Consumer Price Index-USA	1982-84=100 Aug '07	207.9	-0.2	2.0	206.3	2.4
Industry Price Index-Canada	1997=100 Jul '07	115.6	-0.7	-0.3	116.9	3.1

LABOUR

Unemployment Rate (SA)*-BC	Percent	Aug '07	4.0	(4.1)	(4.8)	4.2	(4.7)
Unemployment Rate (SA)-Canada	Percent	Aug '07	6.0	(6.0)	(6.4)	6.1	(6.3)
Unemployment Rate (SA)-USA	Percent	Aug '07	4.6	(4.6)	(4.7)	4.5	(4.7)
Unemployed (SA)-BC	Thousand	Aug '07	93.9	-3.9	-15.6	98.6	-7.9
Employed (SA)-BC	Thousand	Aug '07	2,265.9	0.4	3.2	2,258.1	3.2
Labour Force (SA)-BC	Thousand	Aug '07	2,359.8	0.2	2.3	2,356.6	2.7
Participation Rate (SA)-BC	Percent	Aug '07	65.9	(65.9)	(65.6)	66.2	(65.6)
Regular EI Benefits Paid	\$Million	Jul '07	51.5	15.4	-6.0	61.0	-6.5
Regular EI Beneficiaries	Persons	Jul '07	38,310	14.7	6.7	42,904	-9.6
Average Weekly Wage Rate-BC	Dollars	Aug '07	756.53	1.7	3.9	745.07	3.3
Wages and Salaries-BC (SA)	\$Million	Jun '07	7,201.9	0.9	4.3	7,056.6	6.4
Fixed-Weighted Earnings Index-BC	1996=100	Jul '07	124.4	-0.2	4.3	123.8	3.6

PRODUCTION - BC

Lumber-Cubic Metres	Thousand	Jun '07	3,224.5	2.0	-4.0	3,317.6	-7.2
Market Pulp Shipments-Tonnes	Thousand	Jul '07	420	15.7	10.2	398	-1.0
Newsprint Shipments-Tonnes	Thousand	Jul '07	79	-3.7	-1.3	81	-8.2
Other Paper Shipments-Tonnes	Thousand	Jul '07	160	5.3	-2.4	158	-3.2
Coal-Tonnes	Thousand	Jun '07	2,217.0	-2.5	26.3	1,915.5	9.5
Oil-Cubic Metres	Thousand	May '07	117.0	-4.8	-23.0	128.5	-8.2
Natural Gas-Cubic Metres	Million	Feb '07	2,777.9	-3.2	4.6	2,824.2	1.5
Electric Power Generated	GW.h	Jun '07	5,405.3	-3.0	16.4	5,799.6	16.4
Manufacturing Shipments (SA)	\$Million	Jul '07	3,461.1	-0.5	1.6	3,484.2	-0.5

GENERAL

Housing Starts-All Areas BC(SAAR)**	Thousand	Aug '07	37.5	7.1	12.3	36.9	-0.7
Housing Starts-USA (SAAR)**	Thousand	Aug '07	1,331.0	-2.6	-19.1	1,434.0	-25.3
Building Permits-BC (SA)	\$Million	Jul '07	987.5	-24.3	5.6	1,082.8	19.9
Residential-BC (SA)	\$Million	Jul '07	718.3	-11.3	19.4	725.7	22.9
Non-Residential-BC (SA)	\$Million	Jul '07	269.2	-45.6	-19.4	357.1	14.2
Retail Sales (NAICS) (SA)-BC	\$Million	Jul '07	4,734.3	0.0	6.2	4,657.0	7.2
Wholesale Trade (NAICS) (SA)-BC	\$Million	Jul '07	4,702.8	2.2	13.4	4,452.9	6.6
Tourism Room Revenues (SA)-BC	\$Thousand	May '07	163,021	-0.4	6.2	162,906	11.2
Business Bankruptcies-BC	Number	Jul '07	36	-18.2	-2.7	40	-26.8
Consumer Bankruptcies-BC	Number	Jul '07	526	-4.9	8.7	579	-6.0
Incorporations-BC	Number	Aug '07	2,577	5.0	2.3	2,609	0.2
Exports Originating in BC (SA)	\$Million	Jul '07	2,658.9	1.0	-3.5	2,740.1	-3.2

*SA indicates seasonal adjustment.

**SAAR indicates seasonally adjusted at annual rates.

Brackets () indicate that rates are shown instead of percentage changes.

ANNUAL STATISTICS

PRICES

Consumer Price Index-BC	2002=100	108.1	106.3	104.2	102.2	1.7	2.0	2.0
Consumer Price Index-Vancouver	2002=100	108.0	106.0	104.0	102.0	1.9	1.9	2.0
Consumer Price Index-Victoria	2002=100	108.5	106.9	104.6	102.2	1.5	2.2	2.3
Consumer Price Index-Canada	2002=100	109.1	107.0	104.7	102.8	2.0	2.2	1.8
Consumer Price Index-USA*	1982-84=100	201.6	195.3	188.9	184.0	3.2	3.4	2.7
Industry Price Index-Canada*	1997=100	113.8	111.2	109.5	106.2	2.3	1.6	3.1

LABOUR

Unemployment Rate-BC	Percent	4.8	5.9	7.2	8.0			
Unemployment Rate-Canada	Percent	6.3	6.8	7.2	7.6			
Unemployment Rate-USA*	Percent	4.6	5.1	5.5	6.0			
Unemployed-BC	Thousand	109.6	132.9	159.2	176.0	-17.5	-16.5	-9.5
Employed-BC	Thousand	2,195.5	2,130.5	2,062.7	2,014.7	3.1	3.3	2.4
Labour Force-BC	Thousand	2,305.1	2,263.4	2,221.9	2,190.7	1.8	1.9	1.4
Participation Rate-BC	Percent	65.7	65.6	65.5	65.6			
Total EI Benefits Paid-BC*	\$Million	1,564.2	1,650.3	1,764.0	1,831.3	-5.2	-6.4	-3.7
Regular EI Benefits Paid-BC*	\$Million	723.7	837.4	960.4	1,059.5	-13.6	-12.8	-9.4
Average Weekly Wage Rate-BC	Dollars	726.02	704.49	686.74	683.68	3.1	2.6	0.4
Wages and Salaries-BC*	\$Million	80,805.2	74,448.5	69,383.5	65,310.1	8.5	7.3	6.2
Fixed-Weighted Earnings Index-BC*	1996=100	120.0	116.2	113.3	109.6	3.3	2.6	3.4

PRODUCTION - BC

Lumber-Cubic Metres*	Thousand	41,050.7	41,012.9	39,879.3	36,030.9	0.1	2.8	10.7
Market Pulp Shipments-Tonnes*	Thousand	4,736	4,932	4,724	4,762	-4.0	4.4	
Newsprint Shipments-Tonnes*	Thousand	1,059	1,076	1,135	1,186	-1.6	-5.2	-4.3
Other Paper Shipments-Tonnes*	Thousand	1,960	1,877	1,841	1,733	4.4	2.0	6.2
Coal-Tonnes*	Thousand	21,131.0	25,571.0	27,082.0	23,061.0	-17.4	-5.6	17.4
Oil-Cubic Metres*	Thousand	1,670.6	1,765.7	2,019.0	2,168.2	-5.4	-12.5	-6.9
Natural Gas-Cubic Metres*	Million	35,291.7	31,892.8	31,201.3	29,483.4	10.7	2.2	5.8
Electric Power Generated*	GW.h	62,021.4	67,811.2	60,495.6	63,050.9	-8.5	12.1	-4.1
Solid Mineral Shipments	\$Million	5,620.4	4,924.8	3,674.5	2,913.5	14.1	34.0	26.1
Farm Cash Receipts**	\$Million	2,342.2	2,390.4	2,401.7	2,283.3	-2.0	-0.5	5.2
Manufacturing Shipments*	\$Million	41,974.0	40,960.3	42,303.5	39,691.0	2.5	-3.2	6.6

GENERAL

Housing Starts-All Areas BC**	Thousand	36.4	34.7	32.9	26.2	5.1	5.3	25.8
Housing Starts-USA	Thousand	1,800.9	2,068.3	1,955.8	1,847.7	-12.9	5.8	5.9
Building Permits-BC*	\$Million	11,541.5	10,182.9	7,938.7	6,394.2	13.3	28.3	24.2
Residential-BC*	\$Million	7,620.7	6,970.8	5,868.9	4,514.2	9.3	18.8	30.0
Non-Residential-BC*	\$Million	3,920.8	3,212.1	2,069.8	1,880.1	22.1	55.2	10.1
Retail Sales (NAICS)-BC*	\$Million	52,626.9	49,286.3	47,216.6	44,421.0	6.8	4.4	6.3
Wholesale Trade (NAICS)-BC*	\$Million	50,724.8	47,277.0	43,497.7	39,658.9	7.3	8.7	9.7
Tourism Room Revenues-BC*	\$Thousand	1,822.2	1,690.1	1,592.2	1,486.7	7.8	6.2	7.1
Business Bankruptcies-BC	Number	587	786	922	1,002	-25.3	-14.8	-8.0
Consumer Bankruptcies-BC	Number	7,021	8,173	8,378	9,385	-14.1	-2.4	-10.7
Incorporations-BC*	Number	30,667	28,593	25,428	23,243	7.3	12.4	9.4
Exports Originating in BC*	\$Million	33,421.3	34,101.4	30,991.6	28,264.4	-2.0	10.0	9.6
Capital Expenditures-BC	\$Million	37,575.8	33,254.2	29,664.7	25,434.1	13.0	12.1	16.2
Population-BC (as of July 1)	Thousand	4,320,255	4,260,246	4,203,807	4,155,370	1.4	1.3	

* derived from monthly figures

**derived from quarterly figures

ECONOMIC PERFORMANCE

GROSS DOMESTIC PRODUCT (\$ MILLIONS)

BRITISH COLUMBIA

Gross Domestic Product at Market Prices
Real Gross Domestic Product (chained 1997 \$)

CANADA

Gross Domestic Product at Market Prices
Real GDP at Market Prices (chained 1997 \$)

UNITED STATES (Billions \$US) **

Gross Domestic Product at Market Prices
Real GDP at Market Prices (chained 2000 \$US)

** US Department of Commerce (actual)

YEAR				PERCENT CHANGE		
2006	2005	2004	2003	2005-06	2004-05	2003-04
179,701	168,855	157,540	145,763	6.4	7.2	8.1
150,741	145,501	140,263	134,131	3.6	3.7	4.6
1,439,291	1,371,425	1,290,788	1,213,408	4.9	6.2	6.4
1,189,535	1,157,705	1,124,688	1,088,773	2.7	2.9	3.3
13,194.7	12,433.9	11,685.9	10,960.8	6.1	6.4	6.6
11,319.4	11,003.4	10,675.8	10,301.0	2.9	3.1	3.6

INTEREST AND EXCHANGE RATES

(Source: Bank of Canada)

CANADA

Prime Business Rate
Bank Rate
Marketable Government Bond Rate (over 10 years)
Conventional Mortgages - 1 Year
- 5 Years

UNITED STATES

Prime Rate

Sept. 26/07	Sept. 19/07	Aug. 29/07	Sept. 27/06
PERCENT PER ANNUM			
6.25	6.25	6.25	6.00
4.75	4.75	4.75	4.50
4.50	4.48	4.44	4.08
7.05	7.05	7.05	6.40
7.19	7.19	7.24	6.70
7.75	7.75	8.25	8.25
AVERAGE NOON SPOT RATE			
1.0048	1.0147	1.0592	1.1151
0.0087	0.0087	0.0092	0.0095
2.0255	2.0277	2.1376	2.1035
1.4193	1.4155	1.4482	1.4161

EXCHANGE RATES

US Dollar
Japanese Yen
British Pound
Euro

FORECASTS

BRITISH COLUMBIA

BC Government (Sept. 2007, 1st Quarterly Report)
Credit Union Central BC (August 2007)
Conference Board of Canada (July 18, 2007)
Scotia Bank Group (September 6, 2007)
TD Bank (May 7, 2007)
CIBC WM Economics (October 31, 2006)
Global Insight (July 2007)

CANADA

TD Bank (June 20, 2007)
CIBC WM Economics (September 20, 2007)
Global Insight (August 2007)

UNITED STATES

TD Bank (June 20, 2007)
CIBC WM Economics (September 20, 2007)
Global Insight (August 2007)

2007			2008		
REAL GDP	UNEMP RATE	CPI	REAL GDP	UNEMP RATE	CPI
% Change	%	% Change	% Change	%	% Change
3.0	4.3	2.0	2.9	4.6	2.1
3.0	4.3	2.0	4.0	3.9	2.2
2.7	4.1	1.9	3.3	3.9	1.9
3.2	4.2	na	3.3	4.2	na
3.0	4.3	1.9	3.3	4.5	2.0
3.6	4.6	2.1	na	na	na
2.7	4.3	2.0	3.0	4.4	2.0
2.5	6.2	2.6	2.5	6.3	2.2
2.5	6.1	2.1	2.5	6.1	2.3
2.5	6.2	2.3	2.9	6.3	2.3
2.1	4.6	2.8	2.5	5.0	3.0
1.9	4.6	2.7	2.3	4.8	2.6
2.1	4.6	2.6	2.8	4.8	2.0

